

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 10/31/2006

	As of <u>10-31-06</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 713,704,405	\$ 667,811,360
INTERNATIONAL EQUITIES	259,713,826	237,378,450
DOMESTIC FIXED INCOME	479,533,801	461,105,477
INTERNATIONAL FIXED INCOME	83,320,039	82,755,374
REAL ESTATE	104,629,812	98,291,291
VENTURE CAPITAL	75,879,192	67,743,197
INVESTED CASH (NOTE 1)	<u>11,991,872</u>	<u>17,116,918</u>
 TOTAL INVESTMENTS	 1,728,772,947	 1,632,202,067
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	3,278,554	4,246,933
 OTHER ASSETS		
DUE FROM OTHER AGENCIES (NOTE 2)	<u>20,091</u>	<u>15,160</u>
 TOTAL ASSETS	 <u>\$ 1,732,071,592</u>	 <u>\$ 1,636,464,160</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	1,547,362	1,547,360
DUE TO OTHER AGENCIES (NOTE 3)	<u>0</u>	<u>0</u>
 TOTAL LIABILITIES	 1,547,362	 1,547,360
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,634,916,800	1,475,701,634
CASH IN DURING YEAR (NOTE 4)	0	0
CASH OUT DURING YEAR (NOTE 5)	7,360,000	17,250,000
NET INCREASE (DECREASE)	<u>102,967,430</u>	<u>176,465,166</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,730,524,230</u>	 <u>1,634,916,800</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,732,071,592</u>	 <u>\$ 1,636,464,160</u>

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State Investment Board Profit and Loss Statement For the Month Ended 10/31/2006

	Month Ended <u>10-31-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,256,229	\$ 14,039,596
SECURITIES LENDING INCOME	622,375	2,546,954
	<u>3,878,604</u>	<u>16,586,550</u>
 GAIN ON SALE OF INVESTMENTS	 11,653,544	 47,181,845
LOSS ON SALE OF INVESTMENTS	<u>3,659,681</u>	<u>23,982,587</u>
 NET GAINS (LOSSES) INVESTMENTS	 7,993,863	 23,199,258
 INVESTMENT EXPENSES	 512,643	 1,839,559
SECURITIES LENDING EXPENSES	605,721	2,467,276
SIB ADMINISTRATIVE EXPENSES	<u>15,439</u>	<u>55,069</u>
 NET INVESTMENT INCOME	 10,738,664	 35,423,904
 NET APPREC (DEPREC) MARKET VALUE	 38,172,165	 67,938,074
MISCELLANEOUS INCOME/(EXPENSE)	<u>(397,218)</u>	<u>(394,548)</u>
 TOTAL INVESTMENT INCOME	 <u>48,513,611</u>	 <u>102,967,430</u>
 NET INCREASE (DECREASE)	 <u>\$ 48,513,611</u>	 <u>\$ 102,967,430</u>

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Notes To Financial Statements
October 31, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 3 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 4 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.